

ASSEMBLY BILL

No. 1371

Introduced by Assembly Member Bradford

February 22, 2013

An act to amend Section 16000 of the Business and Professions Code, relating to business regulations.

LEGISLATIVE COUNSEL'S DIGEST

AB 1371, as introduced, Bradford. Business regulation.

Existing law permits the legislative body of an incorporated city, in the exercise of its police power, to license any kind of business not prohibited by law transacted and carried on within its jurisdiction. Existing law prohibits the application of these license fees, if the fee is measured by the licensee's income or gross receipts, to specified nonprofit organizations, among others.

This bill would make nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 16000 of the Business and Professions
- 2 Code is amended to read:
- 3 16000. (a) The legislative body of an incorporated city may,
- 4 in the exercise of its police power, and for the purpose of
- 5 regulation, as herein provided, and not otherwise, license any kind
- 6 of business not prohibited by law transacted and carried on within
- 7 the limits of its jurisdiction, including all shows, exhibitions and
- 8 lawful games, and may fix the rates of the license fee and provide

1 for its collection by suit or otherwise. Any legislative body,
2 including the legislative body of a charter city, that fixes the rate
3 of license fees pursuant to this subdivision upon a business
4 operating both within and outside the legislative body's taxing
5 jurisdiction, shall levy the license fee so that the measure of the
6 fee fairly reflects that proportion of the activity actually carried
7 on within the taxing jurisdiction.

8 (b) ~~No~~A license fee levied pursuant to subdivision (a) that is
9 measured by the licensee's income or gross receipts, whether levied
10 by a charter or general law city, shall *not* apply to any nonprofit
11 organization that is exempted from taxes by Chapter 4
12 (commencing with Section 23701) of Part 11 of Division 2 of the
13 Revenue and Taxation Code or Subchapter F (commencing with
14 Section 501) of Chapter 1 of Subtitle A of the Internal Revenue
15 Code of 1986, or the successor of either, or to any minister,
16 clergyman, Christian Science practitioner, rabbi, or priest of any
17 religious organization that has been granted an exemption from
18 federal income tax by the United States Commissioner of Internal
19 Revenue as an organization described in Section 501(c)(3) of the
20 Internal Revenue Code or a successor to that section.

21 (c) Before a city, including a charter city, issues a business
22 license to a person to conduct business as a contractor, as defined
23 in Section 7026, the city shall verify that the person is licensed by
24 the Contractors' State License Board.